From: Katz, Diane S.

To: 'Microsoft.atr(a)usdoj.gov'

Date: 1/28/02 4:39pm

Subject: Microsoft

28 January 2002

Renata B. Hesse Antitrust Division

U.S. Department of Justice

601 D Street NW

Suite 1200

Washington, DC 20530-0001

Dear Ms. Hesse,

Pursuant to the Tunney Act, please accept these comments in support of the proposed settlement in the case of U.S. v. Microsoft.

The Mackinac Center for Public Policy is an independent, non-profit research and educational institute dedicated to consumer choice and economic growth. Having closely followed the Microsoft case, we have concluded that consumers have largely benefited from the company's innovative products and services. In particular, the bundling of software applications has greatly enhanced consumer capability and convenience. In the absence of evidence of harm to consumers, it is in the public interest to end this protracted litigation. A settlement of the matter would allow Microsoft to focus its attention once again on producing useful products while also halting the enormous waste of taxpayers' dollars on punishing private-sector success.

There is no question that Microsoft has proved to be an aggressive competitor. But there is no evidence of either a shortage of software products or rising prices. Indeed, the software market has grown tremendously in recent years while product prices have fallen dramatically. It thus appears that this case was largely provoked by rivals intent on gaining a competitive advantage through government force. The unjustified nature of the antitrust complaint does not warrant further punishment.

Thank you for the opportunity for comment.

Diane Katz
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